

P-3008/NA-89-140GRANTING CERTIFICATE OF AUTHORITY

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of a Request for a Certificate of
Authority to Resell Long Distance Service

ISSUE DATE: September 26, 1989

DOCKET NO. P-3008/NA-89-140

ORDER GRANTING CERTIFICATE OF
AUTHORITY

PROCEDURAL HISTORY

The Telecommunications Access for Communications-Impaired Persons Board (TACIP or the Board) was created by the Minnesota Legislature in 1987 to establish and maintain special programs that allow the telephone network to become fully accessible to people with speech or hearing impairments. One of the major tasks of the Board is to establish a message relay service (MRS) which allows users of Telecommunications Devices for the Deaf (TDDs) to communicate with voice telephone users. Minn. Stat. § 237.54 (1988) requires the Board to provide MRS on a statewide basis. MRS will provide a direct connection between the communication-impaired community and the hearing community.

On March 8, 1989, TACIP filed a request with the Minnesota Public Utilities Commission (the Commission) for a certificate of authority to resell long distance service within Minnesota.

On May 23, 1989, the Minnesota Department of Public Service (DPS or the Department) filed its Report of Investigation and Recommendation. The DPS recommended that the Commission approve the request for a certificate of authority to resell long distance service and order TACIP to submit a report by December 31, 1989 on the plans to revise the proposed tariffed rates to cover the billing costs.

On June 6, 1989, the Board filed a letter with the Department questioning the need for a certificate of authority for a message relay service provider.

The DPS responded on June 13, 1989 stating that it is appropriate for TACIP to receive a certificate of authority under Minn. Stat. § 237.16 (1988).

The Commission met on August 22, 1989 to consider this matter.

FINDINGS AND CONCLUSIONS

The Commission must decide whether TACIP is required to receive a certificate of authority to provide MRS and whether it should receive that certificate.

Need for Certificate of Authority

The Commission acknowledges TACIP's special position as a state-created board statutorily mandated to provide message relay services under Minn. Stat. § 237.54 (1988).

Minn. Stat. § 237.01, subd. 2 (1988) defines a telephone company as any person, firm, association or any corporation, private or municipal, owning or operating any telephone line or telephone exchange for hire, wholly or partly within this state, or furnishing any telephone service to the public. The Commission finds that the Board is mandated to provide a telephone service to the public, the message relay service. The Commission concludes that the Board is a telephone company under Minn. Stat. § 237.01, subd. 2 (1988).

Minn. Stat. § 237.16, subd. 4 (1988) provides that no company shall operate any line, plant or system without first obtaining from the Commission a determination that present or future public convenience and necessity require or will require such operation.

The Commission concludes that the Board is required to obtain a certificate of authority to operate in Minnesota.

Further, Minn. Stat. § 237.56 authorizes the Commission to oversee TACIP's compliance with its statutory mandate and to resolve complaints. The Commission finds that this law evidences a legislative intent to treat TACIP as a telephone company within the meaning of Minn. Stat. § 237.01 (1988).

Description of MRS

MRS consists of telephone lines, a telephone system and a centralized system of operators. It is a third-party message relay service with an 800 number which enables telecommunications between communication-impaired persons and non-communication-impaired persons. MRS will be accessible to any telephone user provided that the call originates or terminates in Minnesota and involves a TDD user and a voice user. MRS will be operated 24 hours a day, seven days a week. MRS will complete both local and long distance calls.

The Board proposes to charge only for intrastate long distance calls that are relayed through MRS. The MRS system plans to turn over interstate calls to an interexchange long distance carrier which will transport the call to its termination point. Interstate calls will be billed by the interexchange carrier. The Board will not charge for completion of local calls.

TACIP has obtained long distance service from Teleconnect and proposes to charge rates that cover only its long distance costs from Teleconnect. TACIP does not intend to make any profit from the completion of intrastate long distance calls. The Board's proposed rates do not include costs of billing which are unknown at this time. The Board plans to revise its rates in the future so that intrastate rates cover billing costs.

The Board's equipment distribution program and MRS are funded by a monthly surcharge of \$.10 for each telephone line operating in Minnesota. The Commission approved the TACIP surcharge and instructed all telephone companies in the state to collect it beginning April 1, 1988.

Certificate of Authority

On July 13, 1983, the Commission issued its Order Establishing Reseller Application Requirements in In the Matter of an Investigation by the Minnesota Public Utilities Commission into the Resale and Sharing of Intrastate Wide Area Telecommunications Service, Docket No. P-421/CI-82-619. That Order addressed the resale of long distance telephone services and established fourteen filing requirements for reseller applicants. The Commission finds that the Board has complied with these filing requirements.

Further the Commission finds that the Board's management and financial condition demonstrates an ability to provide safe and reliable service and to respond promptly to any customer complaints. The services the Board will offer and its entry into the market is statutorily mandated and, therefore, a matter of public convenience and necessity.

The rates filed by the Board cover its costs. They are not geographically deaveraged. The Commission finds that they are just and reasonable as required by Minn. Stat. § 237.06 (1988)

The terms and conditions of service set forth in the filing are also just and reasonable and will be approved.

The Commission concludes that the Board should be granted a certificate of authority to provide intrastate long distance service in Minnesota. The Commission will, however, require the Board to submit a report by December 31, 1989 on its plans to revise the tariffed rates approved here to cover billing costs. If TACIP files a proposal before that date to revise its rates to cover billing costs, it need not submit the report.

ORDER

1. The Telecommunications Access for Communications-Impaired Persons Board is hereby granted authority to provide intrastate long distance telecommunications services under Minn. Stat. § 237.16, subd. 4 (1988).
2. The rates and terms and conditions of service contained in the Board's March 8, 1989 tariff filing are approved.
3. The Board shall file a report with the Commission by December 31, 1989 on its plans to revised the tariffed rates approved here to cover billing costs. If the Board files a proposal to revise its rates before that date, it need not submit the report.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)